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8 August 1959

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# CENTRAL INTELLIGENCE BULLETIN



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## CENTRAL INTELLIGENCE BULLETIN

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## DAILY BRIEF

## I. THE COMMUNIST BLOC

USSR-India: [The Soviet Communist party has advised the Indian party [redacted]

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[redacted] not to scrap its policy of seeking power by "parliamentary means" in favor of violent tactics. Moscow's response to the developments in Kerala reflects the desire of Soviet leaders to avoid strains in their relations with New Delhi. Unlike Peiping, whose radio has broadcast detailed, slanted accounts of the crisis, the USSR has barely mentioned the subject.] [redacted]

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Communist China: In an editorial which may reflect a recent reassessment of China's economic outlook by the party leadership, the official People's Daily points to the tremendous strides made in the first half of the year and asserts that the situation is "extremely favorable" to the fulfillment of this year's plan to press on with the leap forward. All that is required, the daily says, is to overcome the budding conservative tendency of exaggerating difficulties and "activate" the masses to a new upsurge of effort. The editorial may be the opening gun of an effort to regain some of the momentum which has been lost over the past few months. [redacted]

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OK Argentina: President Frondizi believes Peronista and Communist collaboration in strikes and electoral activity is due in part to continuing instructions from Peron in the Dominican Republic. Argentina is making further representations to Trujillo to cut off Peron's communications, and, if these fail, Frondizi is prepared to break diplomatic relations. Meanwhile, Frondizi is seeking legal means of further curtailing Communist activity. [REDACTED]

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DAILY BRIEF

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# I. THE COMMUNIST BLOC

Moscow Again Cautions Indian Communists to Avoid Violence

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(The Soviet Communist party,

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cautioned the Indian party not to undertake violent tactics toward the government or the Congress party in response to developments in Kerala. Apparently anticipating the dismissal of the Kerala Communist regime,

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predicted that growing Communist strength will provoke anti-Communist elements into using violence.]

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Calcutta area Communist leaders canceled preparations for a general strike, and demonstrations in other major centers have been carefully controlled. Former Kerala Chief Minister Namboodiripad, in New Delhi for the 6-7 August meeting of the Communist central executive, told the press his party would continue to seek power only through constitutional means, despite its experience in Kerala.]

[In formulating their "advice," Soviet leaders probably took into account the traditional Indian antipathy toward violence, but Moscow's desire--which has been especially noticeable over the past six months--to avoid frictions in dealings with New Delhi seems to have been an even greater consideration. Soviet propaganda organs, with the exception of a brief reference in a 31 July news program to the dismissal of the Kerala government, has avoided any mention of the crisis. This is in contrast with Peiping, whose radio has broadcast detailed, slanted reports on Kerala.]

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### Peiping Calls for Greater Economic Efforts

Two recent editorials in the official People's Daily may reflect a reassessment of Communist China's economic outlook by the party leadership. The editorials appear to be a strong reaffirmation of the correctness of the general approach to economic development taken by Mao Tse-tung and the most influential group of his lieutenants led by Liu Shao-chi.

The paper asserts that "tremendous strides" were made in the first half of the year and that the present situation is "extremely favorable" to the fulfillment of this year's plan for pressing ahead with the regime's "leap forward" economic policies. All that is needed, the daily says, is to eliminate the "rightist conservative tendency" of exaggerating difficulties and "activate" all manpower to a new upsurge of hard work.

Both editorials are directed to local party officials, who are enjoined once again to "let politics take command"--a key slogan in the leap last year but which had been soft-pedaled over the past few months. The cadres are told to use methods of mass exhortation which were claimed to be successful last year and thus spur the Chinese workers to new efforts, especially over the next two months. The regime clearly attaches great importance to being in a position to greet its tenth anniversary on 1 October with appropriate "spectacular achievement."

The leadership apparently believes that a renewed reliance on exhortation--plus the harvest already in hand, which could be used to provide more in the way of direct incentives to the workers--will enable the 1959 "leap" to regain some of the momentum lost in recent months. The party leaders may have redefined this year's goals in terms less extravagant than the ones formulated last December, but there is no hint of such a shift in the editorials. [REDACTED]

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Argentina Asking Trujillo to Curtail Peron's Subversive Instructions

Argentine President Frondizi believes Peronista and Communist collaboration in strikes and electoral activity is due in part to continuing instructions from Peron in the Dominican Republic, and that such strikes will create serious political and social problems during the coming months. In Frondizi's view, Trujillo is convinced Peron will return to Argentina and for that reason is permitting him to continue sending subversive recordings and other messages.

Argentina does not intend to introduce this matter at the OAS meeting in Santiago, but will discuss it privately with the Dominican foreign minister at that time. If these representations fail, Frondizi is prepared to break diplomatic relations. Relations were resumed in October 1958, having been broken in April 1957 by the provisional Aramburu government over Peron's asylum in the Dominican Republic.

Meanwhile, the government--disturbed by Peronista support of Communist candidates in the recent municipal elections in Santa Fe Province--is considering means of barring the Communist party from participating in future elections. Frondizi does not believe the executive could order this and thinks the congress would balk at it, but he hopes for successful judiciary action on such a ban before the February 1960 congressional elections.

Although Frondizi issued a decree on 27 April banning all Communist party political activity, there is no federal law at present superseding the provinces' control over their electoral processes and recognition of political parties. The federal government is apparently trying to persuade the provinces to cooperate in anti-Communist action. On 5 August it issued another communiqué explaining reasons behind the 27 April decree and pointing out the involvement of foreign Communist agents in terrorist activities. [REDACTED]

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